



o Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

---

INFORMATION TO BE INCLUDED IN THE REPORT

Section 5—Corporate Governance and Management

Item 5.02. Departure of Directors or Principal Officers: Election of Directors, Appointment of Principal Officers.

On May 20, 2009 pursuant to the recommendations of the Compensation Committee of the Company following a review of directors' compensation by an outside firm specializing in compensation matters, the Board of Directors of Insmmed Incorporated unanimously approved the following compensation for non-employee directors, effective with the 2009 Annual Meeting:

The annual retainer for board members is \$25,000.

The chair of each of the independent committees receives an additional annual retainer as follows:

\$10,000 annual retainer for the Chairman of the Audit Committee

\$5,000 annual retainer for the Chairman of the Compensation Committee

\$5,000 annual retainer for the Chairman of the Nominations & Governance Committee

The annual equity grant to each director is \$25,000 of the Company's Restricted Stock valued at the closing price on the day of the Annual Shareholders meeting and vesting one year from the date of the grant.

All other components of directors' compensation remain the same as in prior years.

The information contained herein, including the Exhibit attached hereto shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such a filing.

---

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Insmmed Incorporated

Date: May 22, 2009

By: /s/ Kevin P. Tully  
Name: Kevin P. Tully C.G.A.,  
Title: Executive Vice President &  
Chief Financial Officer